the dispatch with which our Expeditionary Force was collected from all parts of the kingdom, and shipped across to France, was a miracle of efficiency and practical organisation. It is true that we had not got an Army on a Continental scale, ,but it was no part of our contract that we should have one. The fighting on land was in those days expected to be done by our Allies, assisted by a small British force on the left flank of the French Army, lhat British force was duly there, and circumstances which were quite unforeseen made it necessary for us to undertake a task which was no part of our original programme and create an Army on a Continental scale, in addition to doing everything that we had promised beforehand to a much greater extent than was in the bargain.

But in finance there was no evidence that any thought-out policy had been arrived at in order to make the best possible use of the nation!s economic resources for the war when it came. The acute crisis in the City which occurred in August, 1914, was a minor matter which hardly affected the subsequent history of our war finance except by giving dangerous evidence of the ease by which financial problems can be apparently surmounted by the simple method of creating banking credits. That crisis merely arose from the fact that we were so strong financially, and had so great a

hold upon the finance of other countries in the world, that when we decided, owing to stress of war, to leave off lending to foreigners and to call in loans that we had made by way of accepting and bill-discounting